

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 146**

February 4, 2015

**SUMMARY OF BILL:** Increases, from \$50,000 to \$75,000, the minimum tangible net worth that an applicant for a license, for the purpose of making flex loans, must have for each location to qualify for such license. Authorizes the Commissioner of Financial Institutions to review and approve the competence, experience, integrity and financial ability of any person, who is a director, officer, or 20 percent or more, rather than 10 percent or more, shareholder of the applicant or who owns or controls the applicant.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The Department of Financial Institutions does not anticipate that the proposed increase in the minimum tangible net worth requirements would be a significant deterrent to licensing under the Flexible Credit Act.
- The proposed changes to the current flex loan license qualifications and the Commissioner's authorizations will not result in a significant state or local fiscal impact.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumptions:

- Increasing, from \$50,000 to \$75,000, the minimum tangible net worth that an applicant for a license must have for each location to qualify for such license will not result in a significant decrease in a number of businesses that will qualify and obtain a license to make flex loans.
- Any impact on the private sector jobs is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding". The signature is written in a cursive style with a large, stylized "J" and "S".

Jeffrey L. Spalding, Executive Director

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